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# FOREIGN AGRICULTURE CIRCULAR

UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREIGN AGRICULTURAL SERVICE  
WASHINGTON, D.C.

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CURRENT SITUATION

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## WOOL MOVEMENT FROM SOUTHERN HEMISPHERE

Exports of wool from the 5 major producing countries of the Southern Hemisphere declined by about 9 percent during the first half of the 1954-55 season as compared to a year earlier. Most of the decline occurred in exports from Australia, largely due to the November dock strike in that country. However, as in the previous season shipments from Argentina and Uruguay were small during the October-December period. In these two countries exporters of wool experienced difficulties because growers considered offering prices too low, according to the latest information available to Foreign Agricultural Service.

Exports from Argentina are reported to have increased in pace following the recent temporary suspension (February 11 through April 30) of the export sales tax on wool. Carpet wools are expected to continue to move steadily at prices slightly above those of the previous clip with export supplies exhausted by September 30. The market for fine wools is slow and the trade anticipates no increase in pace unless the exchange rate to European Markets (5 peso to dollar compared to 6.25 to dollar markets) is modified either directly or through barter agreements.

The Argentine wool supplies for the 1954-55 wool year are now estimated at 440 million pounds, greasy basis, including about 75 million pounds of the 1953-54 clip. Domestic requirements during the year are estimated at 130 million pounds. Exportable supplies for the year total approximately 310 million pounds. Exports through December totaled 38 million pounds. Preliminary estimates indicate that about 73 million pounds were exported between January 1 and March 15, 1955. Thus as of March 15, exportable supplies totaled about 200 million pounds of which about 35 million were reported as carpet or low type wools.

Exports of wool from Australia showed considerable recovery after the November dock strike, the deficit in exports when compared with the previous season was reduced from 23 percent at the end of November to 16 percent at the end of December. Exports to the United States during the first 6 months of the 1954-55 season in terms of actual weight were only slightly lower than a year ago. It is noteworthy that exports to the United States of greasy wool were replaced to a considerable extent by larger portions of scoured and washed, carbonized wool, and wool noils.

Receipts of new clip wool into broker's stores in Australia during the first six months of the 1954-55 season were in advance of last season while disposals were smaller. Disposals at auctions during January 1955 were about 8.2 percent larger than a year earlier, but total disposals for the first 7 months of this season were still 4.7 percent below the comparable period of the 1953-54 season. This indicates that exportable supplies of shorn wool, including new clip wool not yet received into store, for the period February 1 through June 30, 1955 totaled about 535 million pounds, greasy basis, compared to 464 million for the comparable period of the previous season.

Australian wool prices for the first seven months of the 1954-55 season averaged about 15 percent below a year earlier. Some improvement over the July-December level occurred in prices during January, partially due to sales of better quality wools.

Exports from New Zealand have been slightly larger than last season. The demand for New Zealand wool has been comparatively good. The tendency for the South American Countries to hold wool off the market has added competitive strength to New Zealand wools. The carry-over of wool on June 30 in New Zealand is again expected to be insignificantly small. The New Zealand Wool Commission reports that three-fourths of the 1954-55 clip was sold by March 21. This means that as of March 21 only an estimated 110 million pounds, greasy basis, of the current wool clip remained unsold.

Exports from the Union of South Africa also have been slightly larger than last year. Possibly, one of the noteworthy features of South African Wool Market has been the entry of Russian buyers. Shipments to the Soviet Union totaled 1.3 million pounds in November and increased to 4.5 million in December.

The South African production of wool during the 1954-55 season is estimated at 280 million pounds, greasy basis, of which 144 million pounds were sold by the end of December, while an additional 43 million pounds were sold in January. If another 40 million pounds were sold in February, about 50 million pounds remained unsold on March 1, 1955.

Exports of wool from Uruguay have been below the low level of the previous season. Dullness characterized wool marketing during the early months of the 1954-55 season. In February and early March off-shore demand increased but exporters found difficulty in fulfilling orders because many growers still considered offering prices too low. At the end of February unsold stocks totaled about 130 million pounds, greasy basis, of which about 120 million were exportable supplies. The trade optimistically believes that all but a "normal" carry-over will be shipped before the beginning of the new wool season, October 1, 1955. They point out that during the last few seasons the bulk of the Uruguayan clip has been sold in the last six months of the wool year (April through September).

### United States Imports

United States imports of dutiable wool during 1954 totaled 102 million pounds, clean basis, about 60 million pounds below 1953. The lower imports reflected the decline in consumption. Woolen and worsted mills used about 268 million pounds, scoured basis. This was the lowest level of apparel wool used since 1938. The average weekly rate in 1954 was below a year earlier each month through October, but a little above in November and December. One of the factors in the decline in consumption from a year earlier was a reduction of wool products in manufacturing and distribution channels.

Imports of all carpet grade wools (not shown in the accompanying table) totaled 114 million pounds, clean basis, in 1954, as compared to 131 million in 1953. Mills used 115 million pounds, scoured basis, of carpet grade wools during 1954, a decline of 14 percent from 1953.

### United States Imports of Tops

United States imports of tops of hair, (not shown in accompanying tables) which are practically all sheep's wool, totaled only 78,363 pounds during the last quarter of 1954 compared to 537,000 for the last quarter of 1953. Imports of tops for the October 1, 1953 to September 30, 1954 period totaled only 906,677 pounds as compared to 12.7 million pounds during same period of the 1952-53 season. The principal United States sources during the 1953-54 season were Belgium, West Germany, Peru, Italy, United Kingdom, Australia and France. Imports from Uruguay totaled only 2,182 pounds, while imports from Argentina were negligible.

Prepared by Q. M. Morgan and Anna A Jones, based on Reports of Agricultural Attaches and other U. S. representatives abroad.

TABLE 1 WOOL:

Exports From Southern Hemisphere Countries 1954-55  
Season Through December 1/ , With Comparisons

(Actual Weights)

Principal Countries of Destination	Australia		New Zealand		South Africa		Argentina 2/		Uruguay		Total 5 Countries	
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
	Mil.	Lbs.	Mil.	Lbs.	Mil.	Lbs.	Mil.	Lbs.	Mil.	Lbs.	Mil.	Lbs.
United States	33.6	31.8	10.9	9.0	11.9	10.8	9.8	11.8	0.8	0.8	67.0	64.2
United Kingdom	165.4	156.7	70.0	67.4	27.5	27.6	1.6	2.7	9.9	3.3	274.4	257.7
Canada	1.9	2.4	1.8	2.3	0.2	0.3	0	0	-	-	3.9	5.0
Japan	43.6	45.4	0.7	0.6	1.7	4.4	7.0	9.0	0.4	1.7	53.4	61.1
U.S.S.R.	26.9	0	0	0	0	5.8	0	0	0	1.0	26.9	6.8
Continental Europe												
France	97.8	79.5	18.2	17.3	23.4	21.9	0	2.1	0.8	0.4	140.2	121.2
Belgium	50.6	44.7	3.7	4.7	9.4	8.0	0.3	0.7	0.1	64.7	58.2	
Germany	29.5	32.3	6.4	9.1	16.0	20.4	2.7	4.3	2.0	1.6	56.6	67.7
Italy	65.8	43.8	0.9	3.2	17.8	10.5	0.3	2.0	0.5	0.8	85.3	60.3
Other	17.3	18.3	5.1	8.7	0.9	4.6	1.3	0.9	5.8	3.5	30.4	36.0
Total	261.0	218.6	34.3	43.0	67.5	65.4	4.6	10.0	9.8	6.4	377.2	343.4
Other	21.8	15.4	4.5	3.8	2.4	0.7	1.3	4.0	1.4	0.3	31.4	24.2
Total	554.2	470.3	122.2	126.1	111.2	115.0	24.3	37.5	22.3	13.5	834.2	762.4
Percent of change from 1953-54												
	-15.1%	+3.2%	+3.4%	+70.8%							-39.5%	-8.6%

1/ Season begins July 1 in Australia, New Zealand and Union of South Africa and October 1 in Argentina and Uruguay.

2/ Includes 1.6 million pounds in 1954 and 2.2 million in 1953 of wool tops, noils and other semi processed wool.

Compiled from official sources and reports of U. S. Foreign Service officers.

Foreign Agricultural Service - March 1955.

Table 2. DUTIABLE APPAREL WOOL: United States imports for consumption by principal countries, averages 1936-40, 1941-45 and 1946-50, annual 1952-54. <sup>1/</sup>  
(clear content)

Country	Averages			1952-2/			1953 2/			1954 2/		
	1936-40	1941-45	1946-50 2/	January-June	July-December	January-June	July-December	January-June	July-December	January-June	July-December	January-June
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds				
Wool not finer than 40's												
Australia	121	36	354	50	214	264	56	84	140	16	1	17
New Zealand	1,062	436	663	1,319	2,007	3,326	1,960	1,909	3,869	765	792	1,557
Uruguay	812	676	344	25	176	261	116	131	247	47	86	133
Argentina	8,345	19,857	19,810	5,557	7,598	13,155	10,980	5,281	16,261	4,452	2,281	6,733
Other Countries	1,258	671	509	757	324	1,081	579	652	1,221	364	223	687
Total	11,598	21,676	21,680	7,768	10,319	18,087	13,691	8,057	21,748	5,644	3,483	9,127
40's to 44's												
Australia	78	45	392	445	398	823	91	77	168	46	55	101
New Zealand	1,179	2,846	5,393	5,885	8,855	14,740	3,295	4,377	7,672	1,979	2,758	4,737
Uruguay	1,490	2,296	1,641	208	289	497	403	293	696	99	27	126
Argentina	1,172	10,099	5,502	204	175	379	494	328	822	174	252	426
Other Countries	592	369	329	306	354	660	176	223	399	26	119	155
Total	4,511	15,655	13,197	7,048	10,072	17,119	4,459	5,298	9,757	2,334	3,211	5,545
44's to 56's												
Australia	1,829	3,541	5,368	5,246	4,204	9,450	2,366	1,591	3,957	1,207	646	1,853
New Zealand	1,834	10,524	12,003	13,902	13,236	27,138	5,650	3,745	9,395	4,555	3,283	7,838
Uruguay	7,711	25,213	7,023	1,027	1,383	2,410	2,108	1,215	3,323	986	560	1,546
Argentina	4,596	31,398	12,070	771	2,936	3,707	5,086	4,377	9,463	1,500	1,647	3,147
Other Countries	4,164	9,475	6,103	1,845	2,858	4,703	1,454	1,217	2,671	897	740	1,637
Total	20,134	80,151	42,567	22,791	24,617	47,408	16,664	12,145	28,809	9,145	6,876	16,021
Over 56's												
Australia	18,948	168,462	102,420	50,140	32,361	82,501	25,461	16,547	42,008	21,636	18,886	40,522
New Zealand	152	2,862	2,665	5,786	3,674	9,460	1,067	681	1,748	848	1,150	1,998
Union of South Africa	8,218	21,584	23,651	15,058	7,981	23,039	6,330	3,686	10,016	8,076	5,019	13,095
Uruguay	7,623	32,689	42,816	7,938	21,502	28,895	17,318	7,152	24,470	4,675	5,319	9,994
Argentina	12,240	32,835	19,366	1,211	10,555	11,766	15,591	6,042	21,633	2,421	1,478	3,899
Other Countries	2,107	6,084	6,025	1,605	4,760	6,365	1,304	1,407	2,711	1,142	717	1,859
Total	49,288	264,516	196,943	81,193	80,833	162,026	67,071	35,515	102,586	38,798	32,569	71,367
Total apparel wool	85,521	381,998	274,387	118,800	125,840	244,640	101,885	61,015	162,900	55,921	46,139	102,060
1/ Excludes courtesy and carbonized wool. 2/ Preliminary.												

Source: Bureau of Census, Department of Commerce.

Compiled in Livestock and Livestock Products Division, FAS, March 1955.

Table 3 WOOL: Exports from principal Southern Hemisphere Countries,  
wool year basis 1952-53 and 1953-54.

Country of Destination	Australia			New Zealand			South Africa			Argentina			Union of South Africa			Uruguay			Total 5 Countries		
	1952-53	1953-54	1952-53:1953-54	1952-53	1953-54	1952-53:1953-54	1952-53	1953-54	1952-53:1953-54	1952-53	1953-54	1952-53:1953-54	1952-53	1953-54	1952-53:1953-54	1952-53	1953-54	1952-53:1953-54			
	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.	Mill.			
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.			
United States	77	72	52	28	16	28	217	93	55	23	417	244	23	42	82	20	55	1952-53:1953-54			
United Kingdom	383	312	184	199	64	63	81	20	82	42	794	636	17	-	1	-	-	1952-53:1953-54			
Canada	5	3	10	4	1	1	0	-	-	-	-	8	-	-	-	-	-	1952-53:1953-54			
Continental Europe																					
France	161	170	55	64	39	42	20	21	9	6	284	303	2	2	14	6	14	1952-53:1953-54			
Belgium	80	92	12	12	12	17	46	6	14	2	164	129	16	16	18	19	12	1952-53:1953-54			
Germany	43	57	21	23	36	35	25	19	18	18	143	150	5	5	12	12	12	1952-53:1953-54			
Italy	98	120	16	13	26	30	11	-	-	5	163	168	9	9	14	9	14	1952-53:1953-54			
Netherlands	3	5	6	10	2	2	13	6	6	14	33	37	1	1	3	3	1	1952-53:1953-54			
Sweden	2	2	-	1	1	-	2	-	-	8	8	4	0	0	0	0	0	1952-53:1953-54			
Poland	9	18	9	6	-	-	3	4	4	0	0	21	28	0	0	0	0	1952-53:1953-54			
Others	14	21	1	1	3	1	13	6	4	4	4	35	33	4	4	4	4	1952-53:1953-54			
Total Continental Europe	410	485	120	130	119	127	133	62	69	48	851	852	-	-	-	-	-	1952-53:1953-54			
Japan	150	96	6	3	15	5	32	24	3	2	206	130	-	-	-	-	-	1952-53:1953-54			
Other Near and Far East	5	13	-	-	-	-	-	-	-	-	-	5	5	0	0	0	0	1952-53:1953-54			
Australia	0	0	3	6	0	0	0	0	0	0	0	6	3	3	3	3	3	1952-53:1953-54			
Union of Soviet Socialist Republic	3	57	0	9	0	0	0	0	0	0	0	3	68	2	2	2	2	1952-53:1953-54			
All others	15	21	8	8	2	5	8	4	4	4	4	40	40	3	3	3	3	1952-53:1953-54			
Total	1,048	1,059	383	387	217	229	471	203	212	119	2,331	1,292	-	-	-	-	-	1952-53:1953-54			

Season beginning July 1 in Australia, New Zealand, and Union of South Africa and October 1 in Argentina and Uruguay.

Dash (-) indicates negligible amount included with "others".

Compiled from official sources and reports of Foreign Service officers.

Foreign Agricultural Service - April 1955.



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U. S. DEPARTMENT OF AGRICULTURE

## WORLD WOOL PRODUCTION IN 1955

The first estimate of world wool production in 1955 is 4,475 million pounds, greasy basis, as compared to the revised estimate of 4,390 million pounds in 1954, according to the most recent information available to the Foreign Agricultural Service. These estimates indicate increases for Australia, New Zealand, Union of South Africa, Soviet Union, and some of the Middle East countries as contrasted to no significant change in output for Argentina, Uruguay and virtually all of the European countries.

WOOL: Estimated production, greasy basis, in  
specified countries, averages 1936-40  
and 1946-50, annual 1952-55

Country	Averages						1/	1/
	1936-40		1946-50		1952	1953		
	Million	Million	Million	Million	Million	Million		
	pounds	pounds	pounds	pounds	pounds	pounds		
Australia	1,052	1,060	1,281	1,246	1,280	1,315		
New Zealand	314	372	418	425	450	460		
South Africa	252	216	257	265	280	290		
Argentina	411	450	407	400	365	365		
Uruguay	126	163	190	203	198	200		
United States	425	285	266	271	276	276		
All other	1,355	1,304	1,531	1,540	1,541	1,569		
World Total 2/	3,935	3,850	4,350	4,350	4,390	4,475		

1/ Preliminary 2/ Rounded to fives of millions of pounds.

This article appeared in the June 20, 1955 issue of Foreign Crops and Markets

Foreign Agricultural Service. July 1955

WOOL: Production in specified countries, greasy basis,  
averages 1936-40, 1946-50, annual 1952 to 1955 1/

Continent and Country	Averages		1936-40		1946-50		1952		1953		1954 2/		1955 2/	
	Million	Pounds	Million	Pounds	Million	Pounds	Million	Pounds	Million	Pounds	Million	Pounds	Million	Pounds
<b>NORTH AMERICA</b>														
Canada.....	15.6	12,4			7.7		8.6		8.5		9.0			
Mexico.....	10.3	11,4			13.2		12.8		13.0		13.5			
United States.....	360.6	238.5			232.4		230.3		232.6					
Shorn.....	64.7	46.5			33.6		41.0		43.4					
Pulled.....														
Total.....	425.3	285.0			266.0		271.0		276.0		276.0			
Estimated Total 2/ 4/.....	450.0	310.0			290.0		295.0		300.0		300.0			
<b>EUROPE</b>														
Finland.....	2.7	3.2			4.5		4.5		4.5		4.5		4.5	
France.....	37.1	30.6			41.9		41.9		48.5		50.0			
Germany, Western.....	21.7	17.3			14.8		12.8		11.9		11.0			
Greece.....	19.3	17.4			19.2		20.3		23.2		23.4			
Ireland.....	17.2	13.1			15.4		16.5		17.5		18.5			
Italy.....	30.4	30.2			35.0		33.7		33.0		31.5			
Netherlands.....	6.1	5.4			6.5		6.5		6.5		6.5			
Norway.....	5.9	6.4			7.8		7.9		8.0		8.0			
Portugal.....	16.3	18.4			22.0		22.5		22.5		22.7			
Spain.....	80.0	85.0			93.0		94.0		95.0		95.0			
United Kingdom.....	110.1	81.2			102.0		105.0		107.9		108.0			
Yugoslavia.....	34.7	30.0			33.0		35.0		37.5		37.0			
Total Western Europe.....	388.8	345.4			401.2		406.7		422.3		422.2			
Other Europe 5/.....	103.8	79.7			92.1		94.2		96.9		99.4			
Estimated total.....														
(Excl. U.S.S.R.) 4/ 6/ 7/.....	490.0	425.0			495.0		505.0		515.0		515.0			
U.S.S.R. (Europe and Asia) 6/.....	310.0	310.0			400.0		400.0		390.0		410.0			
<b>ASIA</b>														
Iran.....	36.3	29.3			36.6		37.5		38.6		39.0			
Iraq.....	21.6	27.3			32.0		32.5		33.0		33.5			
Syria.....	10.7	12.2			19.6		20.3		21.0		21.0			
Turkey.....	67.7	70.7			77.9		81.6		79.6		82.0			
Afghanistan.....	15.0	16.4			17.0		17.0		17.0		17.0			
China 8/.....	88.0	75.0			75.0		75.0		75.0		75.0			
India.....	72.9	51.8			51.0		51.0		51.0		51.0			
Japan.....	-	-			4.5		5.3		5.0		5.0			
Pakistan.....	-	26.4			30.0		30.0		28.0		30.0			
Estimated Total 4/ 10/.....	345.0	360.0			390.0		400.0		400.0		400.0			

<u>SOUTH AMERICA</u>								
Argentina	411.0	449.8	407.0	400.0	365.0			
Brazil	35.5	42.7	50.7	52.5	52.0			53.0
Chile	32.6	42.3	44.1	39.7	38.6			39.0
Falkland Islands	4.0	4.2	4.4	4.3	5.0			5.0
Peru	19.4	18.8	19.8	20.1	20.3			20.0
Uruguay	126.2	162.9	189.8	202.5	198.4			200.0
Estimated Total 4/ <u>11/</u>	640.0	735.0	730.0	730.0	699.0			695.0
<u>AFRICA</u>								
Algeria	22.6	16.2	28.0	29.0	26.0			26.0
Egypt	7.5	6.7	7.0	8.0	8.0			8.0
French Morocco	35.1	27.2	36.0	31.5	36.4			36.0
Tunisia	12.0	9.9	11.0	12.3	11.8			12.0
Union of South Africa <u>12/</u>	252.3	215.9	256.8	264.6	280.0			290.0
Estimated Total 4/ <u>13/</u>	335.0	280.0	345.0	350.0	370.0			380.0
<u>OCEANIA</u>								
Australia	1,051.9	1,060.0	1,281.1	1,246.0	1,280.0			1,315.0
New Zealand	313.8	371.6	418.0	425.0	450.0			460.0
Estimated Total 4/ <u>14/</u>	1,265.0	1,430.0	1,700.0	1,670.0	1,730.0			1,775.0
Estimated World Total 4/ <u>14/</u>	3,935.0	3,850.0	4,350.0	4,350.0	4,390.0			4,475.0

1/ For summary purposes wool produced mostly in the spring in the Northern Hemisphere is combined with that produced in the season beginning July 1 of October 1 of the same year in the Southern Hemisphere. Pulled wool is included for most countries at its greasy equivalent. 2/ Preliminary. 2/ Includes estimates for Newfoundland, Netherland West Indies, Guatemala, and El Salvador. 4/ Rounded to fives of millions. 5/ Includes the Iron Curtain Countries, (Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Romania and Eastern Germany). 6/ Based on present boundaries. 7/ Includes estimates for countries producing 2 million pounds or less, namely Belgium, Denmark, Iceland, Sweden, and Switzerland. 8/ Includes China Proper (22 provinces) Manchuria, Jehol, and Sinkiang (Turkestan). 9/ Includes Pakistan. 10/ Includes estimates for Afghanistan, Cyprus, Palestine, Transjordan, Outer Mongolia, Tibet, Nepal, and China. 11/ Includes relatively small production in Bolivia, Colombia, Ecuador, Paraguay, and Venezuela. 12/ Excludes karakul wool; includes Union of South Africa, Union Protectorate, and South West Africa. 13/ Includes estimates for Kenya, French West Africa, and Togo.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attaches and other U.S. representatives abroad, results of office research and other information. Estimates for countries having changed boundaries have been adjusted to present boundaries except as noted. - June, 1955.

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World output in 1954 was equivalent to about 2,535 million pounds, clean basis, while world consumption for 1954 has been estimated at 2,519 million pounds. The 1955 output on a clean basis will likely approximate 2,585 million pounds, an increase of 2 percent over 1954. During the first quarter of 1955, consumption in the principal wool consuming countries increased by an estimated 2 percent above the comparable period of 1954. The outstanding feature of the quarter was a sharp rise in consumption in the United States which reached its highest level in 18 months. A moderate rise occurred in the United Kingdom, but most other European countries showed declines.

The Dominion wool auctions opened last fall with prices about 15 percent below a year earlier. Prices fluctuated with further declines until late November. Since early in December the Dominion prices have shown considerable stability, averaging around 15 percent below a year earlier. Price declines have been greater for the fine wools. New Zealand cross-bred wools have shown remarkable firmness near the level of a year earlier. The average price received for the 1954-55 wool clip in New Zealand was 57.7 cents per pound as compared to 58.3 cents for the 1953-54 season.

Due to the decline in world wool prices, growers in Argentina and Uruguay are again holding considerable quantities of wool. The combined total of stocks in these countries are not much different from a year ago; however, fewer opportunities exist for moving the South American stocks at prices acceptable to the growers. With the suspension of the export sales tax the Argentine supplies have been moving fairly well. Most likely a program will be developed (possibly the proposed appraisal system) by the Uruguayan Government to move their current stocks.

The most marked declines in output in 1954 occurred in Argentina and the Soviet Union. The Argentine output is expected to show little change in 1955. The Soviet Union's output will be greater in 1955 partly because of gains in fleece weights over 1954 and some increase in sheep numbers. Due to the decline in Argentina's output, the Soviet Union is now the third largest producer of wool.

Australia, New Zealand, and South Africa showed marked increases in output during 1954. These increases, which are expected to continue in 1955, were largely due to the increases in sheep numbers. In addition, both New Zealand and South Africa experienced very favorable weather conditions during 1954.

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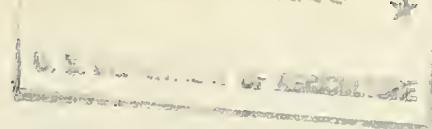
This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crops and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U.S. representatives abroad.

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# FOREIGN AGRICULTURE CIRCULAR

UNITED STATES DEPARTMENT OF AGRICULTURE  
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December 7, 1955

## WORLD WOOL PRODUCTION CONTINUES INCREASE IN 1955

World wool production for 1955 is estimated at 4,485 million pounds as compared to 4,410 million pounds in 1954. Production has shown almost continuous expansion since the end of World War II to a total increase of more than 20 percent in 10 years. Most of the increase has occurred in Australia, New Zealand, and the Union of South Africa. Due primarily to recent declines in the Argentine output, production in South America is a little below the level of 10 years ago. In the United States, following the sharp decline which began early in World War II and continued through 1950, the level of output has changed little during the past five years.

In other areas of the world, with a few exceptions for individual countries, the expansion in wool production has been fairly general. European production has increased from the low point following World War II and is now above the prewar level. An appreciable recovery from the prewar level of output has been reported for the Soviet Union.

WOOL: Estimated production, greasy basis, in specified countries, averages 1936-40 and 1946-50, annual 1952-55

Country	Averages					
	1936-40	1946-50	1952	1953	1954	1/ 1955 1/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Australia	1,052	1,060	1,201	1,244	1,283	1,331
New Zealand	314	375	418	426	455	460
South Africa	252	216	257	265	280	295
Argentina	411	450	407	400	365	355
Uruguay	126	163	190	202	193	202
United States	425	285	266	273	276	275
All other	1,355	1,301	1,531	1,545	1,548	1,567
World Total 2/	3,935	3,850	4,350	4,355	4,410	4,485

1/ Preliminary. 2/ Rounded to five millions of pounds.

WOOL: Production in specified countries, greasy basis,  
averages 1936-40, 1946-50, annual 1952 to 1955 2/

Continent and Country	Averages 1936-40	1946-50	1952	1953	1954 2/	1955 2/
	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds
<u>NORTH AMERICA</u>						
Canada.....	15.6	12.4	7.7	8.6	8.5	9.0
Mexico.....	10.3	11.4	13.2	12.8	9.0	8.8
United States.....	360.6	238.5	232.4	230.4	232.6	228.0
Shorn.....	64.7	46.5	33.6	42.2	43.5	-
Pulled.....	425.3	285.0	266.0	272.6	276.1	275.0
Total.....	450.0	310.0	290.0	295.0	295.0	295.0
Estimated Total 2/ 4/						
<u>EUROPE</u>						
France.....	37.1	30.6	41.9	46.3	48.5	50.0
Germany, Western.....	21.7	17.3	14.8	12.8	12.7	11.0
Greece.....	19.3	17.4	19.2	20.3	23.2	23.4
Ireland.....	17.2	13.1	15.4	16.5	17.5	18.5
Italy.....	30.4	30.2	35.0	33.7	32.8	30.9
Netherlands.....	6.1	5.4	6.5	6.5	6.5	6.5
Norway.....	5.9	6.4	7.8	7.9	8.0	8.0
Portugal.....	16.3	18.4	22.0	22.5	22.7	22.7
Spain.....	80.0	85.0	93.0	94.0	95.0	95.0
United Kingdom.....	110.1	81.2	102.0	105.0	108.0	106.0
Yugoslavia.....	34.7	30.0	33.2	34.6	36.7	36.3
Total Western Europe.....	390.0	345.0	400.0	410.0	425.0	420.0
Other Europe 2/	103.8	79.7	93.1	94.2	96.9	99.4
Estimated Total.....	490.0	425.0	495.0	505.0	520.0	520.0
(Excl. U.S.S.R.) 4/6/7/						
U.S.S.R. (Europe and Asia) 6/.....	310.2	311.5	400.0	400.0	390.0	410.0
<u>ASIA</u>						
Iran.....	36.3	29.3	36.6	37.5	38.6	40.8
Iraq.....	21.6	27.3	32.0	32.5	33.0	33.5
Syria.....	10.7	12.2	19.6	20.3	20.5	19.4
Turkey.....	67.7	70.7	77.9	81.6	79.7	79.4
Afghanistan.....	15.0	16.4	-	-	-	-
China 8/.....	88.0	75.0	-	-	-	-
India .....	72.9	51.8	51.0	51.0	51.0	51.0
Japan.....	-	-	4.5	5.3	8.3	9.0

<u>OCEANIA</u>							
Australia.....	: 1,051.9	:	1,060.0	:	1,281.1	:	1,244.0
New Zealand.....	: 313.8	:	375.2	:	418.0	:	426.0
Estimated Total 4/.....	: 1,370.0	:	1,435.0	:	1,700.0	:	1,670.0
Estimated World Total 4/.....	: 3,930.0	:	3,850.0	:	4,350.0	:	4,350.0

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attachés and other U. S. representatives abroad, results of office research and other information. For countries having changed boundaries have been adjusted to present boundaries except as noted. - June, 1955.

World consumption of wool in 1955 will be moderately larger than in 1954. Consumption in 1954, estimated at about 2,520 million pounds, clean basis, was some 4 percent below 1953. Apart from 1953 and the record level of 2,680 million pounds in 1950, consumption in 1954 was higher than any other postwar year.

The clean basis equivalent of world wool production during 1954 was 2,535 million pounds, which was the approximate amount necessary to replace the quantities entering consumption channels. The 1955 estimated output is equivalent to about 2,600 million pounds, clean basis. Should consumption be increased moderately in 1956, world supplies and consumption will be in fairly close balance.

World stocks of wool at the beginning of the season were not greatly different from a year earlier. The only appreciable increases in carry-over of wool in producing countries occurred in Argentina and Uruguay, a combined increase of about 100 million pounds, greasy basis.

The prospects of a larger world clip this season coupled with a somewhat uncertain level of consumption has, nevertheless, prolonged the downward trend in world wool prices which began in early September of 1954. The Dominion Auctions opened the 1955-56 season with prices 5 to 10 percent below the closing levels of last spring. Prices continued to decline during the first week of September, but by early November prices in most of the Dominion markets were near the season's opening level.

The final 1954-55 wool production in Australia of 1,288 million pounds greasy basis, slightly above earlier estimates, is 7.0 percent (44.0 million pounds) larger than the previous year, 1953-54. It establishes a new Australian wool clip record. The number of sheep and lambs shorn increased about 3.5 percent. The average fleece weight remained about the same -- at 8.7 pounds.

The forecast for the 1955-56 wool clip is 1,331 million pounds composed of 76 percent merino and 24 percent crossbred. Sheep numbers are estimated at 130,449,000 head. Both estimated numbers of wool of sheep and forecast production would establish new Australian records.

Factors influencing wool production in Australia are as a whole probably as strong or stronger than at any time in the history of sheep and wool production. Even though wool prices are below those of the past few years, they are still favorable to expansion of wool production in comparison to production of other agricultural commodities. However, the lower returns are beginning to squeeze some producers who began operations with high capital costs during the period beginning about 1949. Rainfall has been very favorable and the pasture feed situation is considerably above average. Conservation practices have become more generally adapted over the past few years; and coupled with the present above-average rainfall, there is more feed and water available for an expanded wool industry. Lambing percentage is generally reported as above average and losses due to all causes are below normal. Feed competition from rabbits has been greatly reduced as a result of the myxomatosis eradication program.

The New Zealand production of wool during 1955-56 has been estimated at 460 million pounds, the largest on record. Prices realized at the October 24 auction were better than most officials had expected in view of the experience of low prices paid at auctions in the preceding two months. Prices at the October 24th sale averaged about 8 percent lower than a year ago. Compared with September London sales, the New Zealand sales were slightly better.

New Zealand has made remarkable increases in sheep numbers. From 1944 to 1950 sheep numbers increased by 600,000 head, but from 1951 to 1954 the increase was more than 3 million; and the 1955-56 increase was one million. The increase in numbers has not been accomplished through displacing cattle or transferring large tracts of land to sheep grazing; it has been accomplished through increased carrying capacity of the pastures. Increased agricultural investment followed increased wool revenues in 1950, and subsequently prosperity of the farmers has helped to maintain this investment at a high level.

Present price levels for wool apparently remain favorable to producers in Oceania. It is estimated that Australia, under very favorable conditions, has the capacity to double current production; and that New Zealand's capacity is about 60 percent above current production. Therefore, even though prices near the present level tend to discourage increases in other production areas, world production is likely to continue to increase during the next few years--due to the probability of further expansion in Oceania.

